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THE
CASE
OF THE
BORROWERS
ON THE
SOUTH-SEA LOANS,
STATED.

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Mrs. Hugh Bancroft
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THE
CASE
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BORROWERS
ON THE
South-Sea Loans,

SINCE the Parliament has thought it of service to the Publick, that the *unhappy Sufferers by the South Sea* should have Relief, and are at present considering how to give it them; I am persuaded, no one will think it either improper or unseasonable, that the Case of the

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Borrowers on the Loans (who in my opinion are the *most unhappy* of them all) should be truly stated and made publick.

For my part, I will endeavour it, as far as I am able, with Justice to the Company who are their Creditors, and with no more Compassion to these unfortunate People, than their Circumstances honestly deserve: And I have this Satisfaction in what I undertake, that as I believe it is not the Intent of the Members of either of the Honourable Houses to administer Relief with Partiality, or to neglect any set of Men who really want it, should I so far succeed, as to shew that *these Borrowers* do, I can't but hope that *they* will be esteemed at least worthy *their Care and Protection*.

To what purpose these Loans were opened by the *late Directors*, I need not mention: Every one knows, that without *them* they could never have perfected *their Scheme*, as they used to term *their Villainy*. It was not enough for them to have raised their Stock to such a Price, as to have been *only* able to have discharged their Agreement with the Government; they had larger Views, they were to satisfy their own Avarice, and could not therefore give too great an imaginary Value to their Stock. *These Managers* (unhappily for us) set out
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with the good Opinion of Mankind; they were esteemed too wise to be deceived themselves, and too honest to deceive their Friends. Thus qualified for Mischiefe, they soon began it; they soon intoxicated the Brains of all they talked with, gave them wild Notions of the rising Value of their Stock, and persuaded them at any rate to put themselves in Fortune's way: Having with great Art and Industry gained a *Credit* to their Stock, they immediately upon it took in the first Subscriptions; but these Subscriptions having drawn a great Quantity of Money into their hands, they apprehended the rising Spirit of the Stock might soon be checked for want of Money, and their Project by it injured: For *even then* the Species of our Nation was not infinite, it was therefore necessary to contrive some Means to carry on *quick Circulations* of it; and the Means contrived was to issue Money on these Loans. The Success they had we all remember; the Price increased prodigiously, and, if I am not mistaken, above 100 *l. per Cent.* in a Day. And indeed this Success was very probable; for these Loans served two Ends at once of the greatest moment to their Scheme: While *they* furnished the unhappy Borrowers with Money to purchase Stock

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with, *they* gave fresh *Credit* to the Stock, and raised the Price: For when the *Directors*, who must be supposed to know what they were doing, had put so great a confidence in their Stock, as to lend such Sums upon the Security of *that alone*, others might with good reason take courage, and trust it too. And their Cunning upon this occasion was very extraordinary, for they were not contented with the *Credit* they gave to their Stock by *this Act*, which was a tacit Declaration that they knew it to be intrinsically worth as much or more than what they ventured to lend on it; but they were diligent in private Companies to confirm Men in such Opinion of it, by a constant Ridicule of the Bank for their pitiful and cautious Loan of 100*l. per Cent.* To this Step are greatly owing all our Misfortunes: The most Prudent now began to blame themselves for the unjust Suspensions they had entertain'd of so *good* a Project. A Man of moderate Fortune now seem'd poor by the vast Riches all about him had so suddenly acquired. All grew impatient and uneasy, who were not in this Stock, the Managers were idolized, and only they were happy, who had Directors for their Friends. The Merchant, who thro' a long Diligence and great Variety of Hazard had
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gained a small Estate, grew mad to see so many idle Fellows enrich themselves within a day or two. The honest Country Gentleman, who by good Management and wise Oeconomy had been an Age in paying off a Mortgage, or saving a few small Portions for his younger Children, could not bear the big Discourse and Insults of this *New Race*. Both laid aside their Prudence, and at last became unhappy Converts to *South-Sea*: Both were persuaded to use now their Diligence, and recover that time their Disbelief had lost them. The one despised his Trade, and sold his Effects at any rate, to try his Fortune: The other mortgaged what he could, or sold it for a *little Stock* or *Third Subscription*: And now both are undone, both Beggars. I should think Cases of such Distress as these could not be reflected on without even Humanity itself becoming painful; and yet, whether it proceeds from such Cases being frequent and daily seen, or from an Hardness of Heart, which Providence for a Judgment has suffered to fall on us, I know not; but such Cases are scarce pitied by us: Every one still pursues his own Interest, and seems to grudge the Expence even of a few Shillings, to save thousands from Destruction.

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I believe it looks too like a Demonstration to be denied, that *those* have suffered *most*, who came the *latest* into this unlucky Scheme: And not only because they must be supposed to have paid the *dearest* for their Stock, but because they are *generally* the Men who are *Borrowers on the Loans*: For as it is natural, and indeed very reasonable to desire to continue in the same Class and Degree we are in, and to live as well as those about us; it is not to be wonder'd at, that *these poor Gentlemen* who came so late in it, should endeavour, if possibly they could, to save their Distance, and aim at a Gain somewhat proportionable to that their Neighbours and Acquaintance had already got; but entering late the Point was extremely difficult. Stock was then so valuable, they could not have much of it, even for much Money: But the Directors being Men of *publick Spirit*, were desirous to set them forward, and soon pointed out a wise Expedient: Stock, they assured them, would reach 1500 *l.* they advised them to *enlarge* their *Capital*, and then their Success would certainly, in proportion to *the Increase* of that Capital be much greater. Thus deluded, to *enlarge* their Capital, they *borrowed* on their Stock. It was to *these* the *Managers* did the favour
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first to *lend* them *Money*, and afterwards to *sell* them *their own* Stock. Let any one with common Charity consider the sad Circumstances of such poor People : Supposing that they *only* gave at first 600 *l.* for for 100 *l.* Capital (tho' I am afraid most of them paid much dearer for it, as they came so late) and that they laid out *that Money borrowed* in purchasing of *other* Stock ; what cruel Bargains have they been drawn into ? What have they lost ? The little Stock they are now possess'd of stands them at least in 1200 *l. per Cent.* How little do these want of Ruin, if the Money should not be sued for ? but if it should, how inevitable is it then ? Surely such deserve Relief, or are they thought too far lost to be worth saving ? And yet there are many still more unfortunate than these ; for many have borrowed on *that very Stock* they bought with borrowed Money, and laid out *that Money last borrowed* in purchasing of other Stock : and many yet (if possible) are even under worse Circumstances than these, for many have *paid away all* they borrowed on their Stock for *Differences* to the *Directors and their Abettors* ; for *Differences* on Bargains made with *them* at the Rates of 1000 *l.* and upwards for the Opening of the Books after Midsummer : And it

is well known that the *largest* Loan of all was lent upon *that very account*. *These* indeed have little to fear, for they have nothing left to lose; to sue *these* would be of not much more consequence to the Company, than in the common Case of suing Beggars. But I can't conceive so ill of these present Directors, as to believe they will think they have a Right to the *Liberty* of Mankind, because their *Predecessors* robbed them of their *Property*; tho at the same time I must own, in my own, that *Liberty* is by the Loss of *Property* become less valuable; for they are only *truly dear*, when they are joined together. I should believe, to an *Englishman*, whose Frame has generally been observed to have Good-nature moulded in it, these Arguments would be sufficient to persuade him to allow *these Sufferers* Relief, as well as others: But because some Men are extremely fond of *Justice*, when they expect *Advantage* by it, for their sakes I will consider this Case in another light, and see how far in Justice and Equity these Borrowers would be obliged, were they able to refund (which not one in fifty of them is able *now* to do.)

When it was judged of service to the Company, or *rather* to the *Managers*, that Money should be lent, the *only* Security they

they asked or expected, was a *Transfer of the Stock*. They told the Borrowers they desir'd no *Defeasances*, nor other *collateral Securities*, for they knew the *Value* of their Stock, they knew it a *good Security* for all the Money lent, and that the Borrowers would always think the mortgaged Stock worth their *redeeming*: The *Terms* therefore, on which these borrowed, were, to *transfer* their Stock, and *redeem* it if they pleased. I remember Mr. Knight, their late Cashier, when examined before the Lords, confess'd as much, and the *late Directors*, all agreed to it. They said they knew the Stock sufficient, they requir'd no other Security, they trusted to the *Stock*, and to the *Stock alone*: Had the Terms been different, had other Securities been given or requir'd, People would then have known how far they were obliged. Many would not have borrowed, nay, many could not: None, I am perswaded, would have been so long amused with vain Hopes of seeing Stock again at 400 *l.* but would at least have sold it out whilst the Deficiencies were small, and they able to have answered them, they would not have waited till Stock was almost at *par*, as now it is.

The Transfers on the Loans were all *absolute* to Knight, made in the *common* Books, in the *common* Forms, and Receipts were given for the Money *in full* of so much Stock; there was *no Trust* declared, no Writing executed in favour of the Borrowers, but the whole Transaction past in the *same* manner as in a *common Sale*: So that should Stock have rose to *that* Heighth they were persuaded to expect it, the *Borrowers* must have relied upon the *Honour* of this *faithful Knight*; and what *his Honour* would have been upon a *Rise*, we may guess by what we have found it upon the *Fall* of Stock: It is known he bought and sold as much as any Stockjobber in the Alley, and therefore *he* could *only* distinguish and let us know how he accepted the Stock transferr'd, whether as a *Purchaser* or as a *Trustee* for the Loans: But it is very plain they had a *Design* in taking the Transfers in this manner, they proposed to themselves a *Trade* for their *own Advantage*, which they could not so well have carried on, had the Transfers been in *trust*, they could not then have *sold* the mortgaged Stock, for they could only have accepted it in *trust*: And that this was their *Design* I think we need not doubt, because it is so very consonant to o-
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ther parts of this *brave Scheme*. And 'tis observable of *them* (I mean of the *Managers*, for of them all I cannot say it) that *they* have scarce in any one Point behaved as *Fools*: Besides, such a Trade was actually carried on, *Knicht* did *accept* this mortgaged Stock as a *Purchaser*, for he *sold* great Quantities of it out again. And this, among the many Breaches of Trust the Parliament has charg'd the late Directors with, is one. This Step is so very notorious, and so great an Injustice to the Proprietors of the mortgaged Stock, that, I am told, a Lawyer of eminence in his Profession has given it as his Opinion, that *they* have just cause of action for it. But Stock being sold, and it being impossible to distinguish *whose* it was they sold, *every one* who has transferr'd on these Loans seems to have a fair Pretence to call it *his*: they have sold *his Stock*.

In common Cases, it may, perhaps, be said, that there is a Credit given to the *Person* of the *Borrower*, as well as to the *Security*; and therefore, where the Security does fail, the Person should be liable to the Debt; but in this Case it was not so, in lending on these Loans the *Man* was never minded, the Directors, as they confess themselves, had regard *only* to the *Stock*,
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and *that alone* they trusted ; every Proprietor of Stock, let his Circumstances be what they would, might have borrowed in proportion to the Stock he had : A little Pressing in the Crowd, or a small Gratuity to a Clerk, did always without Distinction procure the Money.

But as a further Argument that the Stock *was only* trusted, that they designed to trust no other, and depended *entirely* on Stock, it must be observ'd, that when they first began to lend this Money, the Directors gave out Forms of *Notes*, by which that very Stock so mortgaged might *pass* to *Bearer* ; for as these Loans were the great Wheels to turn and raise their *Scheme* by, they were to be encourag'd as much as possible, and with *some* People the absolute Engagement of Stock, till the Mortgage should be discharged, might have been, perhaps, an Objection, and have prevented their borrowing ; and therefore it was of great Consequence, to contrive some Method, by which this very Stock might in some measure, become *assignable* without a *Transfer*. These Notes did it effectually, for they were to be directed to Robert Knight, *Esq* ; for him to deliver the Stock he held of theirs on these Loans, the Bearer paying the Mortgage and Interest

terest due thereon. And this Stock being attended with an Incumbrance, came at a Price proportionably less than that which was free and disengag'd; but this could be done only where the Parties had some Confidence in each other; for there was room to have trickt and cheated: And indeed, had it been otherwise, they had disappointed another End, which the lending of Money greatly served, which was, to tye as much Stock down as they could conveniently, that less Quantity might come to Market; and by that means what did come should bear a better Price. However, this plainly shews that they did not care *whom* they had for *Debtor*, if they had but *Stock*; and as many have parted with their Stock in this method, and have thought themselves *discharged* by giving such *Notes*, was there no other reason, I think this would be sufficient to prove the Impossibility of recovering the Money lent; for by this Method they affixt the Debt to the Stock; and therefore both Stock and Debt must attend the Note wheresoever it is. And as the Bearer could only claim in Equity, the mortgag'd Stock, so in Reason he only is liable to the Payment of the Mortgage on it.

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There was another Method taken by the late Directors, designed to be subservient to *this*, which demonstrates likewise, that they gave no *Credit* to the *Person*, but to the *Stock*, and to *that only*. What I mean, is, their *changing* the *Names* of the *Original Borrowers* (if I may call them so) the *Names* of those Proprietors who made the Transfers of their Stock, and borrowed on these Loans, have sometimes been *struck out* from being Debtors, and other Names *put in*. And in this Case who should be sued? would the Company sue them whom their Trustees have *discharg'd*, or those who never borrowed?

It happened sometimes too, that the Person who made the Transfer had no Advantage by the Loans, he received no Money on them, but some other Person borrowed; a Seller never minded to whom he made the Transfer, or who accepted? if he received his Money he agreed to sell for, he would as soon transfer his Stock to *Knights* as to any other; he by it subjected himself to no trust, for his Transfer, in this Case, was *as absolute*, and his Receipt *as full* as in any other. The Purchaser was to look after the Stock, when once transferr'd the Seller had no more to do with it; nor was it difficult to secure it, for he
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might either *take the Note* or *change the Name*, and then he could have it again on demand. But the Method some took, was to put in a sort of trust, to enter in the Receipt a Memorandum of the Person's Name *to whose Use* the Stock was so *transferr'd*; and this Trust was enter'd either *before* or *after* the Receipt was sign'd, by the *Purchaser* himself, or *any other Person*. I think this too shews to what they trusted——if they had but *Stock*, they were satisfy'd, they look'd no further, they knew the *Value* of their Stock, and *that* they trusted to.

And I don't think that they were so very imprudent in putting this Confidence in their Stock; for since they were to give a credit to it, they were to act in that manner which was likely to give it the greatest; and certainly the less Confidence they themselves put in it, the less others would too. If therefore they had lent *less Sums* of Money on Stock, or requir'd other *collateral Securities*, it would have discover'd a distrust of it, which might have prejudic'd it with others: This, however, is evident, that by it they did gain very great Advantages to the Company in their *Subscriptions*; for the *new Stock* must have been sold at a Price proportionable to the
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old ; and the *higher* the old was raised, the *higher* the new would sell at. And these Advantages might have been easily secured to the Company, had their Directors acted with any Skill or Integrity ; and I may say, that in this respect the Company has an *Obligation* to the Borrowers.

No one, I believe, will pretend to charge the Borrowers with any *Fraud*, they have comply'd with the *Terms* requir'd, and have *transferr'd* their *Stock*. They knew not even the *Value* of what they gave, *they* only knew that it was *so much Stock*, and that had they sold it in the Market, they might have had twice the Sum they borrow'd on it. When 400 *l.* was lent upon 100 *l.* Capital, that 100 *l.* might generally have been sold for 800 *l.* or upwards ; from whence this Inference is very fair, that all who have borrowed must be supposed to have laid the *Money* out again on *South-Sea*, at high Prices, or some other *Bubbles* ; for he must have acted much like a Mad-man, who would borrow 400 *l.* of the Company on his Stock, and at an *Interest* only to have laid the Money up in his Chest, when he might have had twice as much in Market for it.

The Borrowers have, in what has already been observ'd, a good deal of reason to expect,

pect, that the Company will accept the Stock they have transferr'd to them *in full* Satisfaction of their Debt, without giving them any further Trouble : But their reason seems to be much stronger, when they consider, that the *Security* they gave was *at one time*, very *sufficient*, and very able to have answer'd the Money lent them ; and that this Security would have continued to have been *such still*, had not the late *Managers* betray'd their Trust, and the *Company itself* done several Acts whereby they have *reduced* and *lessened* the Value of it. There is no one, who is not extremely ignorant of Figures, but will confess that Stock was once intrinsically worth much above 400 *l. per Cent.* I will not give myself the trouble to insert here the particular Calculations, to prove the exact Value of it, it is enough if Stock was really worth 400 *l.* only, because 400 *l.* is as much as was lent in *publick* on 100 *l.* Capital : 'Tis said, indeed, that in *private* larger Sums were lent. And that it would have been worth *so much*, I will venture to affirm, even upon Supposition that no future Payments had been made on the two last Subscriptions ; and is it not evident why it is not worth so much at present ? I will not say any thing of the *Di-*

rectors upon this Argument, because I think it does not want them (tho' in general it is consonant to reason, that a Company, as well as a private Person, should be liable even to the *Mismanagement* of those they empower to act for them.) But the *Company* cannot complain of the just Consequences of *what* they do themselves in *general Courts*; nor will they, I hope, think it hard that a Man should not pay a Debt they have discharg'd him from in Equity and Reason.

When Credit first fell into the sad Distress it continues under, it was thought, by the *South-Sea Company*, to be for *their Interest*, that the *Annuitants* which had subscrib'd at 800 *l.* should be reduc'd to 400 *l.* and the *Subscribers* in the two last Subscriptions at 1000 *l.* to the same. When they did this, it is not to be imagined that they had not in their Eye, *those* who had mortgaged their Stock to them: They could not but be sensible of the great *Injury* they did the Borrowers, in *lessening* so much the *Value* of that Security they held of theirs, unless they determin'd at the same time to *discharge* their Debt. And therefore they must be supposed to have determin'd to *discharge* it, before they would have taken so great a Liberty with

with a Property they only had in trust. Could they have continued to *this particular* Stock its former Value, the Borrowers would have been no ways injured; but as the reducing one, did necessarily reduce the other, it is notorious they suffer. This Step not being sufficient, but Credit still drooping daily, it was thought proper to give fresh Relief; and they afterwards resolved to remit all *future Payment* on every Subscription, and the *Subscribers* were actually *discharged*: By this last Reduction (tho' inconsiderable to the former) Stock is in value above 40 *l. per Cent.* less than it before was. By the Subscriptions the *Subscribers* became *indebted* to the Company for their future *Payments*, or for a *Forfeiture* of those *Payments* they had made: I would not seem to disapprove this Relief they gave them; no, my Opinion is far otherwise, I still think they are hardly used, and I still hope to see them have further Redress. Nor do I deny that the Company has a Power to remit what Debts they please: But then certainly it cannot be just, that they should make *other* Debtors pay *those Debts*. It can never be equitable to relieve one at the Expence of another. If the Debtors by Subscriptions are discharged,

ed, why should not the Debtors on the Loans too? Have these poor People had such great *Advantages*, that they can be expected to take the Load of others on them, and in proportion to the *decrease of Value* these Reductions have occasion'd to *their Stock*, so far they may justly be said to pay *their Debts*? Would it have been an Hardship to those *Subscribers* to have made their *future Payments*? And will it not be a greater on the *Borrowers*, to answer all *Deficiencies* which the remittance of their other Debts have *created*? If the Demand of so much Money from *those Subscribers* would have injured Credit, will it less injure it, if the Demand be made on *these Borrowers*? There can't be Equity in this, or common Reason.

Had the Borrowers been *consenting* to those Reductions, every one would have supposed they were consenting, because they *thought* themselves *discharged*; for it would have been Knight-Errantry, beyond what *Spain* ever furnish'd, for a Set of Men just ruined, who have scarce Bread left them, to sacrifice their last Remains of Fortune, to support those who (tho' very bad) are yet under better Circumstances than they themselves. But it is notorious
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that they were not consenting to any one Reduction.

The Transfers being *absolute*, the *Borrowers*, as soon as they had made them, were no longer esteemed *Proprietors*, the Stock was no longer looked upon as *theirs*, they had *no Votes* allowed them for it. It is certain, that no one can *vote* at any General Court, who has not Stock in his *own Name*; and that these Borrowers had parted with their Stock by those Transfers, can admit no doubt: How could they vote then? Nor is it sufficient to say, what one of the present Directors said lately in my Hearing, that their Consent might be *presumed*, because those Resolutions were made *nemine contradicente*, and it must be taken for granted, that many *Borrowers* were *present* in the Court. This surely is not the way of thinking of them all; if it be, there seems to be great reason why the Parliament should interpose: Will either Law or Equity admit of such *Presumptions*? Had these Borrowers a Right of *Opposition*, could *nine* of them have made a *Demand of Ballot*, or any of them have voted at *the Ballot*? If they could not, had the Hall been *full* of *Borrowers*, not one of them, *as such*, was of the Court. I believe, at most General Courts there are great Numbers present, who
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neither have nor ever had a Farthing of the Stock: Are these esteemed part of *those General Courts*? Surely not; and yet they are as much so as any *Borrower*, in regard to *mortgaged Stock*: And that this Fact is true, not only appears from the *Accounts* themselves of those who borrowed, but from *that very List* the Company printed of the *Proprietors* for the last *Election* of of the Directors and other Officers, wherein no one who borrowed was allowed a Vote. And I dare affirm in the Name of all the *Borrowers*, that had they been allowed their Votes, they would have *opposed* these several *Reductions*, which tended so directly to their *Ruin*: I mean, so far they would have opposed them, as to have insisted on *Terms*, and had their *Debt discharged*.

I believe in common Cases it would be thought very extraordinary, should any Person by an Act of his own injure and reduce the Value of a Security, which he accepted for Money lent. Should a Pawnbroker for his *own Conveniency* alter the *Form* of what he had in trust, or suffer it by downright *Negligence* to be so far damaged, that it is not worth half of what it was before when given, and by *that means* is become an insufficient Pledge: Should he complain in Chancery of this Deficiency he himself created;

ated, can it be imagined he would be heard ? Suppose a Mortgagee in possession should suffer Houses to run to ruin, should cut down Timber or commit Waste, *by which* the Estate he had in Mortgage is so far impaired and injured, that it will not answer the Debt it was engaged for ; will he in Equity find relief against the Mortgager, who is the *Sufferer* in this Case ? What the Law is I know not, the Lawyers must determine that ; however this I will venture to say, that if *by Law* the Borrowers are obliged to answer these *Deficiencies*, and there can ever be a Case where the Rule of *Summum jus summa injuria* can take place, it certainly is in *this*, where *the Law* would compleat the Ruin of so many thousands, already most unfortunate.

Whatever is given in Trust, according to common Sense and Reason, ought to be returned in the *same Circumstances*, and the *same Condition* it was at first given ; and should there accrue any particular *Advantages* to it, those Advantages are all *subject* to the Trust, and the *Trustee* is *accountable* for them : If the Stock therefore was transferred to the Company *in Trust*, that Stock ought certainly to be restored to the Proprietors in *the same Condition* and under the *same Circumstances* it was at first transferred.

ferred. If there have been several Advantages and Profits accruing to it since the Trust began, the Proprietors have a Right to them *all*, and the Company, who only held them in trust for the Proprietors, ought to account them to them. I don't speak of any *imaginary Value* which might seem to attend it, I mean only what was *real* and *intrinsic*. The several Dividends which have been voted since the Trust, the Proprietors are entitled to; the Benefit of all *Obligations* and *Agreements* which have been made they are entitled to; they have a just Right to the *Payments* on the *several Subscriptions*; they have a just Right to a Performance of the *Agreement* with the *Bank*: And since the Company have been so free, as *without the Consent* of these Proprietors to have discharged these *Obligations* and *Agreements*, they seem rather to have been guilty of a Breach of Trust themselves, than to have a Cause of Action against the *Borrowers*.

I am told that the Company has so far considered these Reasons, that they have already remitted *Money borrowed* on the *two first Subscriptions*. It was some time ago judged convenient for the Company to *lend a Payment* on each of them, and it has since been thought necessary to reduce
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the several Subscriptions *immediately to Stock*. I am assured that *these Subscriptions* are actually reduced to Stock, and the Proprietors allowed Stock *for their Money paid in*, without *this Debt* being demanded or insisted on. One would imagine, that if they discharge their Debtors from a Repayment of the Money borrowed on *These Subscriptions*, where the Security is still left sufficient, they would likewise discharge *these* from the Repayment of the Money borrowed on their Stock, where the Security has failed, and the Borrowers much greater Sufferers. But if the Discourse of the Town is to be regarded, *these Gentlemen* are not to expect such Favour, I might say Justice: They are daily threatned with Suits on this account. How serviceable such Suits would be to Credit, for my part, I can't see. If the Debt the Company owes the Government has been thought of so general a Consequence, that it already is resolved in Parliament to be remitted; if that *only hanging* over their Heads has so much obstructed the Rise of Credit, I appeal to common Sense what the Effects will be of a Demand of a much greater Debt from private People, the Majority of whom are quite undone already, and the rest but little less. This Debt will be always such a Weight on

Credit, that till it be removed, in vain we struggle to raise it: *This* lies too heavy on it. It is not enough to improve the Value of the Stock, while Jealousies and Discontent disturb the Minds of Men, Credit will be low.

Credit is nothing more than that mutual *Confidence*, which one Man reposes in another, and till *that Confidence* be restored, *Credit* never can be; nor will *that Confidence* ever be restored, till each Man's *Property* is *settled* and *ascertained*. While *Property* is (as now it is) unsettled and uncertain; while no Man knows, what to call *his own*; while no Man can even trust himself, but lies under constant Agonies of Mind and Fears to morrow may bring his Ruin; who will trust him? The only Reason I can give, why Credit seems always cramped under Princes of an *Arbitrary Power*, and never rises to that height it does in these Governments of *greater Liberty*, is, because the *Property* of the Subject is *precarious*: When therefore *Property* becomes *precarious* in these Governments of Liberty, our Credit proves no better. Let the *Prince* be ever so good and gracious in himself, let the Happiness of his Subject be ever so much his Care; if his Neighbours should make frequent Inroads on his

his Country, and lay all before them waste; if *Highwaymen* and *Robbers* should scour it daily, and *plunder every honest Man* they meet with, what Credit would that Country enjoy? I am satisfied, but very little. It does not signify to *whom* or *what* it is owing, whether Property is made *precarious* by the *Prince* or by the *People*, by *Enemies* abroad or *Friends* at home; but while it is precarious, the Consequence will always be the same, will always be Distress of Credit: Something must be therefore done to *settle* and *ascertain* *Property*, and to *compose* the Minds of the Unfortunate. And till this be done, I am afraid it is not the Confiscation of the Estates of *all those* who have brought this Ruin on us, it is not the most rigorous Justice, that will restore us.

The Unfortunate are too apt to believe that will happen, which they most fear; for Afflictions naturally produce a dark Credulity. We must therefore endeavour to persuade them, that the worst is over, shew them Prospects of better Days, and prevent their Apprehensions of *fresh Ruin* and *Destruction*. When Men are easy, Credit will revive.

I have endeavoured to give the Publick as full and as just a State of the Case, as
from

from the best Informations I am able, and I think it very plain, that these *Borrowers* are Men the most injured, the most trick'd and cheated by the late *Managers*, of all who can properly be called *Sufferers*. Of *these*, how few have *they* left any thing to, and to these few how small a matter is it that *they* have left? Are not their Misfortunes great enough already, who are thus reduced, who from Plenty now scarce have Bread? Or must they be improved? Must the last poor Morsel, which at most can only save from starving, be wrested from those honest Hands, which perhaps are well nigh worn out with working for it? Is it not sufficient that Gentlemen, Men of Family, who have themselves been an Honour to their Country, are *plunder'd* of *all* their Ancestors had left them, or their Merit had acquired them, that they are turned out of antient Seats and large Possessions by *little Rascals* or *Great Villains*? Or must they be deprived of all future Expectations? Must they be condemned to Wretchedness for Life, and rot in Jails? Why must these poor People expect such singular Treatment? Are all to have Relief but these? Are the Subscribers and the Annuitants to have fresh Ease, and are these to want Protection? I can't believe it: The
 Votes

Votes of both the Honourable Houses seem already to have determined otherwise : They have condemned the *Securities* the Managers lent the Money on, as *insufficient* : They have condemned those *Managers* as *guilty* of a Breach of Trust in lending on *them* ; and these *Managers* they have *charged* with all the Loss the Company shall suffer by it. The *Borrowers* they have not mentioned ; they knew that they were innocent, and already sufficiently unfortunate. However since Actions are threatned daily, and by it Credit exceedingly oppress'd : It is but reasonable the Publick should know what equitable Circumstances attend *their* Case. The *Borrowers* depend on the *Justice* of *their* Case, and on the *Justice* of the *Parliament* : They hope, that when *Relief* is given to the *Sufferers*, *they* may not be *rejected* : That when the Property of *others* is ascertain'd, *their* Property may be ascertain'd too.

F I N I S.



